

Resources

The Budget provides significant funding for programs that protect and preserve California's natural resources and environment. These programs are carried out by the Department of Fish and Game, Department of Parks and Recreation, Department of Forestry and Fire Protection, Department of Water Resources, and more than two dozen other departments, boards, commissions, and conservancies. The Budget includes funding for the following new programs:

Flood Control

On February 24, 2006, the Governor proclaimed a state of emergency for California's levee system and directed the immediate repair of 29 critical levee erosion sites. The Governor gained federal support for expediting federal permits for the projects so they can be completed by November 2006. The repairs will cost an estimated \$150 million. These costs will be funded from Chapter 34, Statutes of 2006, which appropriated \$500 million General Fund for levee evaluation and related work, and flood control system improvements. This funding will allow the department to jump-start critical flood control activities immediately, without waiting for funding from a proposed \$4.1 billion bond measure on the November 2006 ballot.

To further diminish threats from levee failure and flooding, the Budget also includes \$35 million General Fund and 30 new positions in the Department of Water Resources to improve and maintain the flood control system, and \$41.3 million General Fund for six new or continuing flood control capital projects: Folsom Dam Modifications, American River

Common Features, Sacramento River Bank Protection, Folsom Dam Raise, American River Natomas Features, and Upper Sacramento River Levee Restoration.

In addition, state law provides for reimbursement by the state on a cost-sharing basis to local flood control agencies for all rights-of-way and relocation costs of channel improvement and levee projects. The Budget proposes \$100 million General Fund to reimburse local agencies.

Flood control is also being addressed by the Department of Fish and Game. A severe storm in late December 2005 and early January 2006 caused damage to various levees and other infrastructure belonging to the Department. The Budget includes \$8.8 million General Fund in order to repair or prevent damage to levees, habitat, utility lines, roads, private residences, and other property in counties that have been declared eligible for federal emergency funding. Up to 75 percent of the state funding will be eligible for federal reimbursement.

Reorganization of the CALFED Program

The Budget addresses some of the most important recommendations produced from recent programmatic and fiscal reviews of the CALFED program. The Bay-Delta Authority's administrative activities have been transferred to the Secretary for Resources. This will add transparency, visibility, accountability, and decision-making authority to the CALFED administrative function. In addition, the Authority will focus its efforts exclusively on coordination, tracking program progress, science, and strategic planning.

The program duties previously carried out by the Bay-Delta Authority have been transferred to the departments that have primary operational responsibility for each area. Program activities that had been implemented by more than one entity will now be centralized in a single department, improving efficiency and communication. For example, the Department of Fish and Game will operate the Ecosystem Restoration Program as a single unit, combining efforts previously diffused among the Bay-Delta Authority, Department of Water Resources, Fish and Game, and the Secretary for Resources.

Marine Programs

The Budget includes \$19 million General Fund to strengthen programs that protect and manage ocean resources. Specifically, a total of \$4 million ongoing and \$10 million in one-time funding is provided for implementation of the Marine Life Protection Act and the Marine Life Management Act. An additional \$5 million in ongoing funding is included for activities related to the regulation of aquaculture and bottom trawling. In total, 55 positions have been provided to implement these expansions.

All-American Canal

Funding of \$84 million General Fund is provided to continue lining the All-American and Coachella canals in accordance with the Quantification Settlement Agreement, under which California has agreed to reduce its use of Colorado River water. The canal lining projects are expected to save approximately 100,000 acre-feet of water annually. This funding represents the expenditure of monies originally appropriated for this purpose in Chapter 813, Statutes of 1998.

Funding for the State Park System

The Budget includes \$250 million General Fund in one-time funding to reduce a growing backlog of deferred maintenance projects. An additional \$16.4 million General Fund in ongoing funding is included to fund operations in new and existing park facilities and to increase ongoing maintenance efforts. To address remediation of toxic materials at the Empire Mine State Historical Park, \$5 million General Fund in one-time funding is provided. The Budget also includes \$11.8 million General Fund to continue bringing the state parks into compliance with the Americans with Disabilities Act.

Augmentations for the Department of Fish and Game

Significant augmentations to correct fiscal problems and expand programs at the Department of Fish and Game have been provided, in addition to amounts provided for the marine programs and CALFED reorganization mentioned previously. The Budget includes \$14.9 million ongoing and \$19.9 million one-time to address shortfalls in the Fish and Game Preservation Fund and the repayment of previous borrowing from dedicated accounts within the Fund. Augmentations of \$10 million General Fund one-time and \$4 million General Fund ongoing are provided for the Salmon and Steelhead Restoration program. Ongoing augmentations of \$1.1 million General Fund to monitor wildfowl for avian influenza and \$1.5 million General Fund for conservation planning and resource assessment were also included. The Budget provides additional one-time appropriations of \$8.8 million General Fund for emergency work to repair storm damage on department lands, \$10 million General Fund for management of nongame fish and wildlife, and \$5 million General Fund for management of coastal wetlands.

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